

## **FISCAL NOTE**

### **HB 2940 - SB 3521**

March 6, 2006

**SUMMARY OF BILL:** Provides changes to definitions and penalties relative to the abatement of nuisances. The definition of “lewdness” would be expanded to include such items as obscene computer discs or other electronic devices with images or writing. The definition of “nuisance” would be expanded to include definitions included in statute or common law and would include such acts as prostitution, patronizing prostitution, gambling, unlawful sale of liquor, and unlawful sale of any regulated drug or controlled substance. Under this statute, maintaining such nuisances would constitute a Class D felony. The bill also provides for the seizure of contraband found during violations of the statute and any proceeds from the sale of such contraband would be paid equally into the general funds of the state and the political subdivision making the seizure.

### **ESTIMATED FISCAL IMPACT:**

**Increase State Revenues – Exceeds \$300,000**

**Increase State Expenditures – \$668,700/Incarceration\***

**Increase Local Govt. Revenues – Exceeds \$300,000**

**Increase Local Govt. Expenditures – \$150,000\*\***

#### Assumptions:

- Total revenue from seizures exceeding \$600,000. With 50% going to the general fund of the state and 50% going to the local government responsible for the seizure.
- According to the U.S. Census Bureau, population growth in Tennessee has been 1.09 percent per year for the past ten years, yielding a projected compound population growth of 13.6% over the next ten years.
- Fifty-five persons that would have been convicted of Class E felony offenses for Schedule 6 and Schedule 7 drugs will be convicted of Class D felony offenses in the first year. Population growth of 1.09 percent per year will result in six additional offenders charged with this offense in the tenth year as a result of this bill. The maximum cost in the tenth year, as required by Tenn. Code Ann. §9-4-210, is based upon 61 offenders serving 0.3 years.

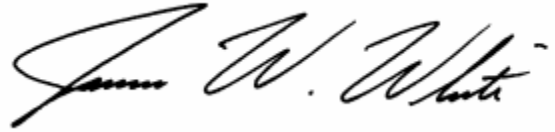
- Sixty-one offenders will serve an additional 0.3 years (an increase from 0.3 years for a Class E felony to 0.6 years for a Class D felony). According to the Department of Correction, the average operating cost per inmate per day for calendar 2006 is \$50.02. The cost per inmate at 0.3 years is \$5,481.19 (\$50.02 x 109.58 days). The cost per inmate at 0.6 years is \$10,961.88 (\$50.02 x 219.15 days). The additional cost from increasing the classification from Class E to Class D is \$5,480.69 (\$10,961.88 - \$5,481.19). The total additional operating cost for 66 offenders is \$361,725.54 (\$5,480.69 x 66).
- Twenty-five persons will be convicted of Class D felony offenses in the first year. Population growth of 1.09 percent per year will result in three additional offenders charged with this offense in the tenth year as a result of this bill. The maximum cost in the tenth year, is based upon 28 offenders serving 0.6 years.
- Twenty-eight offenders will serve 0.6 years (219.15 days). The cost per inmate is \$10,961.88 (\$50.02 x 219.15 days). The total operating cost is \$306,932.64 (\$10,961.88 x 28).
- Common law nuisances such as overgrown weeds or dilapidated vehicles on residential property will not be prosecuted as Class D felonies under the provisions of this bill.
- An increase in local government expenditures of \$100,000 for towing, hauling, and storage of seized items and \$50,000 for administrative costs to local governments.

*\*Section 9-4-210, Tenn. Code Ann., requires that: For any law enacted after July 1, 1986, which results in a net increase in periods of imprisonment in state facilities, there shall be appropriated from recurring revenues the estimated operating cost of such law. The amount appropriated from recurring revenues shall be based upon the highest cost of the next 10 years, beginning with the year the additional sentence to be served impacts the correctional facilities population*

*\*\*Article II, Section 24 of the Tennessee Constitution provides that no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost..*

## **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large, stylized "J" and "W".

James W. White, Executive Director